

May 14, 2019

Ref. 195/2019

Subject: Explanation on percentage of changes more than 20% in company's operating performance for the three-month period ended March 31, 2019

Attn: Director and Manager
The Stock Exchange of Thailand

According to the resolutions of Board of Director ("BOD") Meeting No. 5/2019 held on May 14, 2019 the BOD of Areeya Property Public Company Limited ("The Company") has approved financial statements for the three-month period ended March 31, 2019. The Company had a net profit of Baht 11.24 million in this quarter, decreased by Baht -42.17 million or \approx -78.96 percent, compared to a net profit of Baht 53.41 million in the same period of last year.

The Company would like to report herewith the operation results for the three-month period ended March 31, 2019 with a difference more than 20% in comparison with the same period of previous year due to the following main reasons.

1. For the 1st quarter of 2019, Revenue from real estate was in the amount Baht 840.56 million, decreased by Baht -207.46 million or -19.80 percent, compared to Baht 1,048.02 million of last year which the company breakdown details are as follows:

Unit: million baht

| | Revenue for the year ended March 31 | | | | Increase/(Decrease) | |
|--------------|-------------------------------------|-------------|-----------------|-------------|---------------------|----------------|
| | 2019 | % | 2018 | % | Million Baht | % |
| Townhouse | 754.43 | 90% | 773.65 | 74% | -19.22 | -2.48% |
| Condominium | 35.72 | 4% | 169.15 | 16% | -133.43 | -78.88% |
| Inter Sale | 50.41 | 6% | 105.22 | 10% | -54.81 | -52.09% |
| Total | 840.56 | 100% | 1,048.02 | 100% | -207.46 | -19.80% |

2. For the 1st quarter of 2019, Cost of real estate was in the amount of Baht 486.23 million, decreased by Baht -153.07 million or -23.94 percent, compared to Baht 639.30 million of last year. The Cost of real estate was decreased in the same way of revenue which decreased in this quarter. It is the result of more effective cost management resulted in a gross profit margin of the Company for the current period was higher than the same period of the prior year, although revenue will decline.

3. For the 1st quarter of 2019, Finance costs was in the amount of Baht 73.91 million, increased by Baht 20.48 million or 38.33 percent, compared to Baht 53.43 million of last year. As a result of the Real estate projects under development almost completed the entire project, which will be recognized in the next financial period.

4. For the 1st quarter of 2019, corporate income tax was in the amount of Baht 6.53 million, decreased by Baht -12.48 million or -65.65 percent, compared to Baht 19.01 million of last year due to the current period taxable profit is less than prior year.

Please be informed accordingly.

Yours Sincerely,

(Mr. Anat Pinrat)
Company Secretary